



**RCA
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 2
AGENDA DATE: Thu 03/23/2006
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SUBJECT: Approve an ordinance amending Ordinance No. 20050912-004, the Fiscal Year 2005-2006 Fee Schedule for Austin Water Utility to change the methodology used in calculating and setting wastewater averages.

AMOUNT & SOURCE OF FUNDING: N/A

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

REQUESTING DEPARTMENT: Austin Water Utility
DIRECTOR'S AUTHORIZATION: Perwez Moheet

FOR MORE INFORMATION CONTACT: David Anders, 972-0303; Denise Avery, 972-0104

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: Review by Water and Wastewater Commission on 3/20/06.

Since wastewater flows discharged back into the collection system by a customer cannot be economically and accurately metered, the Austin Water Utility uses actual water consumption by a customer during winter months to estimate their monthly wastewater flows returning to the system for treatment. Although winter is the best season to determine a customer's estimated wastewater flow returning to the system, the actual flow is affected by weather conditions that vary from one year to the next.

The current methodology, as approved by Council in 2001, establishes monthly wastewater averages for the Utility's customers by taking their water consumption during three consecutive winter months from mid-November through mid-March, dropping the highest usage month, and then calculating the average based on the two lowest usage months. This year, the wastewater averaging period ran from November 14, 2005 to March 14, 2006. The new wastewater average is established for each customer effective April 1st and remains in effect until the next update. A customer's monthly wastewater bill is then calculated based on their actual water usage during the month or their wastewater average, whichever is lower.

Due to the drought conditions that prevailed during the winter months this year, many customers used water above their normal usage during these months in order to irrigate their landscape, gardens, and trees. In an effort to provide some relief to the customers of the Austin Water Utility, it is requested that the Fee Ordinance be amended to allow a one-time wastewater averaging methodology for 2006 only, whereby it sets a new wastewater average for a customer by averaging their 2005 and 2006 wastewater averages, with an option to use the lower of the two years for those who have a reduced new average in 2006. Due to the administrative and programming changes necessary, the new wastewater average calculated based on the one-time amended methodology will be effective with the May, 2006 wastewater bill.



MEMORANDUM

TO: Mayor and Councilmembers
FROM: Joe Canales, Deputy City Manager
DATE: March 17, 2006
SUBJECT: Water Utility Agenda Items

These two items are being brought to you before receiving Water and Wastewater Commission approval due to the deadline of the implementation of wastewater averaging and due to a lack of quorum at the last commission meeting.

Wastewater Averaging

The current methodology, as approved by Council in 2001, establishes monthly wastewater averages for the Utility's customers by taking their water consumption during three consecutive winter months from mid-November through mid-March, dropping the highest usage month, and then calculating the average based on the two lowest usage months. This year, the wastewater averaging period ran from November 14, 2005 to March 14, 2006. The new wastewater average is established for each customer effective April 1st and remains in effect until the next update. A customer's monthly wastewater bill is then calculated based on their actual water usage during the month or their wastewater average, whichever is lower.

Austin Water Utility has received communication from concerned citizens over the passed several weeks regarding the City's wastewater averaging methodology. Due to the drought conditions that prevailed during the winter months this year, when the averaging takes place, many customers used water above their normal usage in order to irrigate their landscaping, gardens, and trees.

In an effort to provide some relief to the customers of the Austin Water Utility, the March 23, 2006 agenda will contain an item requesting authorization from the Council to allow the Utility to amend the wastewater averaging methodology for a one-time basis.

Per the Utility's rate Ordinance, wastewater averaging takes effect on April 1st of each year. Due to the very short deadline before implementation, the item will be posted on the agenda before it will be reviewed by the Water & Wastewater Commission. However, the item will be reviewed by the Water & Wastewater Commission at their special called meeting on March 20, 2006. The outcome will be posted in Changes and Corrections.

Sanitary Rotation List

As part of the ACWP, the City hired 25 consulting engineering firms through a Request for Qualifications process, to perform the engineering design services for the required wastewater collection system improvements.

It is anticipated that to complete the remaining identified ACWP projects, an additional \$8,500,000 is needed. This funding is anticipated to provide full design, bid and construction phase services by the Rotation List firms to complete the remaining services for the required wastewater collection system improvements on all ACWP projects.

This item was brought to the Water Utility Commission last month but no action was taken due to lack of quorum. It was requested that it be brought back at a special called meeting scheduled for Monday, March 20, 2006. The commission is scheduled to take action then.

**Joe Canales
Deputy City Manager**